program are equal to or lower than the established CSFP limits.

- (3) For a pregnant woman, the State agency must count each embryo or fetus in utero as a household member in determining if the household meets the income eligibility standards.
- (c) What are the income eligibility requirements for elderly persons? The State agency must use a household income limit at or below 130 percent of the Federal Poverty Income Guidelines. Elderly persons in households with income at or below this level must be considered eligible for CSFP benefits (assuming they meet other requirements contained in this part). However, elderly persons certified before September 17, 1986 (i.e., under the three elderly pilot projects) must remain subject to the eligibility criteria in effect at the time of their certification.
- (d) When must the State agency revise the CSFP income guidelines to reflect the annual adjustments of the Federal Poverty Income Guidelines? Each year, FNS will notify State agencies, by memorandum, of adjusted income guidelines by household size at 185 percent, 130 percent, and 100 percent of the Federal Poverty Income Guidelines. The memorandum will reflect the annual adjustments to the Federal Poverty Income Guidelines issued by the Department of Health and Human Services. The State agency must implement the adjusted guidelines for elderly applicants immediately upon receipt of the memorandum. However, for women, infants, and children applicants, the State agency must implement the adjusted guidelines at the same time that the State WIC agency implements the adjusted guidelines in WIC.
- (e) How is income defined and considered as it relates to CSFP eligibility? (1) Income means gross income before deductions for such items as income taxes, employees' social security taxes, insurance premiums, and bonds.
- (2) The State agency may exclude from consideration the following sources of income listed under the WIC regulations at $\S246.7(d)(2)(iv)$ of this chapter:
- (i) Any basic allowance for housing received by military services personnel residing off military installations; and

- (ii) The value of inkind housing and other inkind benefits.
- (3) The State agency must exclude from consideration all income sources excluded by legislation, which are listed in \$246.7(d)(2)(iv)(C) of this chapter. FNS will notify State agencies of any new forms of income excluded by statute through program policy memoranda.
- (4) The State agency may authorize local agencies to consider the household's average income during the previous 12 months and current household income to determine which more accurately reflects the household's status. In instances in which the State makes the decision to authorize local agencies to determine a household's income in this manner, all local agencies must comply with the State's decision and apply this method of income determination in situations in which it is warranted.
- (f) What other options does the State agency have in establishing eligibility requirements for CSFP? (1) The State agency may require that an individual be at nutritional risk, as determined by a physician or by local agency staff.
- (2) The State agency may require that an individual reside within the service area of the local agency at the time of application for CSFP benefits. However, the State agency may not require that an individual reside within the area for any fixed period of time.

§ 247.10 Distribution and use of CSFP commodities.

- (a) What are the requirements for distributing CSFP commodities to participants? The local agency must distribute a package of commodities to participants each month, or a twomonth supply of commodities to participants every other month, in accordance with the food package guide rates established by FNS.
- (b) What must the local agency do to ensure that commodities are distributed only to CSFP participants? The local agency must require each participant, or participant's proxy, to present some form of identification before distributing commodities to that person.
- (c) What restrictions apply to State and local agencies in the distribution of CSFP commodities? State and local agencies

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must not require, or request, that participants make any payments, or provide any materials or services, in connection with the receipt of CSFP commodities. State and local agencies must not use the distribution of CSFP commodities as a means of furthering the political interests of any person or party.

(d) What are the restrictions for the use of CSFP commodities? CSFP commodities may not be used for outreach, refreshments, or for any purposes other than distribution to, and nutrition education for, CSFP participants.

§ 247.11 Applicants exceed caseload levels.

- (a) What must the local agency do if the number of applicants exceeds the local agency's caseload level? If all caseload has been filled, the local agency must maintain a waiting list of individuals who apply for the program. In establishing the waiting list, the local agency must include the date of application, the population group of the applicant, and information necessary to allow the local agency to contact the applicant when caseload space becomes available. Unless they have been determined ineligible, applicants must be notified of their placement on a waiting list within 10 days of their request for benefits in accordance with §247.15.
- (b) What are the requirements for serving individuals on the waiting list once caseload slots become available? When caseload slots open up, the local agency must provide benefits to eligible individuals on the waiting list in the following order of priority:
- (1) Pregnant women, breastfeeding women, and infants;
 - (2) Children ages 1 through 3;
 - (3) Children ages 4 and 5;
 - (4) Postpartum women; and
 - (5) Elderly persons.

§ 247.12 Rights and responsibilities.

- (a) What information regarding an individual's rights in CSFP must the local agency provide to the applicant? The local agency is responsible for informing the applicant, orally or in writing, of the following:
- (1) The local agency will provide notification of a decision to deny or terminate CSFP benefits, and of an indi-

vidual's right to appeal this decision by requesting a fair hearing, in accordance with §247.33(a);

- (2) The local agency will make nutrition education available to all adult participants, and to parents or caretakers of infant and child participants, and will encourage them to participate; and
- (3) The local agency will provide information on other nutrition, health, or assistance programs, and make referrals as appropriate.
- (b) What information regarding an individual's responsibilities in CSFP must the local agency provide to the applicant? In addition to the written statement required by §247.8(b), the local agency is responsible for informing the applicant, orally or in writing, of the following:
- (1) Improper use or receipt of CSFP benefits as a result of dual participation or other program violations may lead to a claim against the individual to recover the value of the benefits, and may lead to disqualification from CSFP; and
- (2) Participants must report changes in household income or composition within 10 days after the change becomes known to the household.

§247.13 Provisions for non-English or limited-English speakers.

- (a) What must State and local agencies do to ensure that non-English or limited-English speaking persons are aware of their rights and responsibilities in the program? If a significant proportion of the population in an area is comprised of non-English or limited-English speaking persons with a common language, the State agency must ensure that local agencies inform such persons of their rights and responsibilities in the program, as listed under §247.12, in an appropriate language. State and local agencies must ensure that bilingual staff members or interpreters available to serve these persons.
- (b) What must State and local agencies do to ensure that non-English or limited-English speaking persons are aware of other program information? If a significant proportion of the population in an area is comprised of non-English or limited-English speaking persons with a common language, the State agency